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Fee: \$ 20.00 NOTICE OF CONFIDENT Agenne Menters PERSON MAY REMOVE OR STRIKE ANY OR ALL OF THE FOLLOWING INFURMATION BEFORE IT IS FILED IN THE PUBLIC RECORDS: YOUR SOCIAL SECURITY NUMBER OR YOUR DRIVER'S LICENSE NUMBER.

OIL, GAS AND MINERAL LEASE

THIS AGREEMENT made this 20 day of May 2008, between Johnny Timmons, Lessor (whether one or more), whose address is: 4608 Tallman St., Fort Worth, TX 76119, and XTO Energy Inc., whose address is: 810 Hodston St., Fort Worth, Texas 76102, Lessee,

WITNESSETH

1. Lessor, in consideration of ten dollars and other valuable consideration, receipt of which is hereby acknowledged, and of the covenants and agreements of Lessee hereinafter contained, does hereby grant, lease and let unto Lessee the land covered hereby for the purposes and with the exclusive right of exploring, drilling, mining and operating for, producing and owning oil, gas, subsurface disposal of salt water, construct roads and bridges, dig canals, build tanks, power stations, telephone lines, employee houses and other structures on said land, necessary or useful in Lessee's operations in exploring, drilling for, producing, treating, storing and transporting minerals produced from the land covered hereby or any other land adjacent thereto. The land covered hereby, herein called "said land," is located in the County of Tarrant. State of Texas, and is described as follows:

LOT 14B, BLOCK 5, OF THE COLLEGE HEIGHTS ADDITION, AN ADDITION TO THE CITY OF FORT WORTH, TARRANT COUNTY, TEXAS ACCORDING TO THE QUITCLAIM DEED, DATED JANUARY 7, 2008, FROM WILLIE WILSON, WILSON, ARTHUR TO JOHNNY TIMMONS, RECORDED IN INSTRUMENT NO. D208009089, OF THE OFFICIAL DEED RECORDS OF TARRANT COUNTY, TEXAS.

This lease also covers and includes, in addition to that above described, all land, if any, contiguous or adjacent to or adjoining the land above described and (a) owned or claimed by Lessor by limitation, prescription, possession, reversion, after-acquired title or unrecorded instrument or (b) as to which Lessor has a preference right of acquisition. Lessor agrees to execute any supplemental instrument requested by Lessee for a more complete or accurate description of said land. For the purpose of determining the amount of any bonus or other payment hereunder, Lessor accepts the bonus as lump sum consideration for this lease and all rights and options hereunder.

- Unless sooner terminated or longer kept in force under other provisions hereof, this lease shall remain in force for a term of 5 years from the date hereof, hereinafter called "primary
 term," and as long thereafter as operations, as hereinafter defined, are conducted upon said land with no cessation for more than ninety (90) consecutive days.
- em," and as long thereafter as operations, as hereinafter defined, are conducted upon said land with no cessation for more than ninety (90) consecutive days.

 3. As royalty, Lessee covenants and agrees: (a) To deliver to the credit of Lessor, in the pipe line to which Lessee may connect its wells, the equal 25% part of all oil produced and saved by Lessee from said land, or from time to time, at the option of Lessee, to pay Lessor the average posted market price of such 25% part of such oil at the wells as of the day it is run to from said land, or from time to time, at the option of Lessee, to pay Lessor the average posted market price of such 25% part of such oil at the wells as of the day it is run to from said land (1) when sold by Lessee, 25% of the amount realized by Lessee, compruted at the mouth of the well, or (2) when used by Lessee off said land or in the manufacture of gasoline or one-tenth either in kind or value at the well or mine at Lessee's election, except that on sulphur mined and marketed the royalty shall be one dollar (51,00) per long ton. If, at the expiration of the primary term or at any time or times thereafter, there is any well on said land or on lands with which said land or any portion thereof has been pooled, capable of producing oil or gas, this lease may be continued in force as if no shut-in, had occurred, Lessee covenants and agrees to use reasonable diligence to produce, utilize, or market the minerals capable of being produced from said wells, but in the exercise of such diligence, Lessee shall not be obligated to install or furnish facilities other than well facilities and ordinary lesse facilities of flow lines, all such wells are shut-in for a period of ninety consecutive days, and during such time there are no operations on said land, then at or before the expiration of said ninety day period (Lessee). Such as a shut-in for a period of ninety consecutive days, and during such time there are no operations on said land, then at or before the expiration of said ninety day p
- part, liability for payment hereunder shall rest exclusively on the then owner or owners of this lease, severally as to acreage owned by each.

 4. Lessee is hereby granted the right, at its option, to pool or unitize any land covered by this lease, with any other land covered by this lease, and/or with any other land, lease, or leases, as to any or all minerals or horizons, so as to establish units containing not more than 80 surface acres; plus 10% acreage tolerance, provided, however, units may be established as to any one romore horizons, or existing jurisdiction. If larger units than any of those herein permitted, either at the time established, or after enlargement, are permitted to one or more of the by the conservation agency having jurisdiction. If larger units than any of those herein permitted, either at the time established, or after enlargement, are permitted or required by such governmental rule or order, for the driling or operation of a well at regular location, or for obtaining maximum allowable from any well to be drilled, drilling, or already drilled, any such unit may be established or enlarged to conform to the size permitted or required by such governmental order or rule. Lessee shall exercise said option as to each desired unit by executing an instrument dentification in the size permitted or required by such governmental order or rule. Lessee shall exercise said option as to each desired unit by executing an instrument said instrument or instruments make no such provision, then such unit shall become effective as of the date provided for in said instrument or instruments make no such provision, then such unit shall become effective as of the date provided for in said instrument or instruments are so titled of records and instrument or instruments make no such provision, then such unit shall become effective as of the date provided for in said instrument or instruments make no such desired. The provision is the provision of said land included in the unit, or or other land unitized therewit
- 5. Lessee may at any time and from time to time execute and deliver to Lessor or file for record a release or releases of this lease as to any part or all of said land or of any mineral or horizon thereunder, and thereby be refleved of all obligations, as to the released acreage or interest.
- 6. Whenever used in this lease the word "operations" shall mean operations for and/or any of the following: preparing the drillsite location or access road, drilling, testing, completing, recompleting, deepening, sidetracking, plugging back or repairing of a well in search for or in an endeavor to obtain production of oil, gas, sulphur or other minerals, excavating a mine, production of oil, gas, sulphur or other mineral, whether or not in paying quantities.
- 7. Lessee shall have the use, free from royalty, of water, other than from Lessor's water wells, and of oil and gas produced from said land in all operations hereunder. Lessee shall have the right at any time to remove all machinery and fixtures placed on said land, including the right to draw and remove casing. No well shall be drilled nearer than 200 feet to the house or barn now on said land without the consent of the Lessor. Lessee shall pay for damages caused by its operations to growing crops and timber on said land.
- 8. The rights and estate of any party hereto may be assigned from time to time in whole or in part and as to any mineral or horizon. All of the covenants, obligations, and considerations of this lease shall extend to and be binding upon the parties hereto, their heirs, successors, assigns, and successive assigns. No change or division in the ownership of said land, royalties, or other moneys, or any part thereof, howsoever effected, shall increase the obligations or diminish the rights of Lessee, including, but not limited to, the location and drilling of wells and the of said land or of the royalties, or other moneys, or the right to receive the same, howsoever effected, shall be binding upon the then record owner of this lease until sixty (60) days after either originals or duly certified copies of the instruments which have been properly filed for record and which evidence such change or division, and of such court records and proceedings, reason of the death of the owner, Lessee may, nevertheless pay or tender such royalties, or other moneys, or part thereof, to the credit of the decedent in a depository bank provided for above.

10. Lessor hereby warrants and agrees to defend title to said land against the claims of all persons whomsoever. Lessor's rights and interests hereunder shall be charged primarily with any mortgages, taxes or other liens, or interest and other charges on said land, but Lessor agrees that Lessee shall have the right at any time to pay or reduce same for Lessor, either and/or assigns under this lease. If this lease covers a less interest in the oil, gas, sulphur, or other minerals in all or any part of said land than the entire and undivided fee simple estate shall be paid only in the proportion which the interest therein, if any, covered by this lease, bears to the whole and undivided fee simple estate therein. All royalty interest covered by this lease (whether or not owned by Lessor) shall be paid out of the royalty herein provided. This lease shall be binding upon each party who executes it without regard to whether it is executed by all those named herein as Lessor.

- 11. If, while this lease is in force, at, or after the expiration of the primary term hereof, it is not being continued in force by reason of the shut-in well provisions of paragraph 3 hereof, and Lessee is not conducting operations on said land by reason of (1) any law, order, rule or regulation, (whether or not subsequently determined to be invalid) or (2) any other cause, whether more days following the removal of such delaying cause, and this lease may be extended thereafter by operations as if such delay had not occurred.
- 12. Lessor agrees that this lease covers and includes any and all of Lessor's rights in and to any existing well(s) and/or wellbore(s) on said land, other than existing water wells, and for all purposes of this lease the re-entry and use by Lessee of any existing well and/or wellbore shall be deemed the same as the drilling of a new well.
- 13. Notwithstanding anything to the contrary contained in this lease, at the option of Lessee, which may be exercised by Lessee giving notice to Lessor, a well which has been drilled and Lessee intends to frac shall be deemed a well capable of producing in paying quantities and the date such well is shut-in shall be when the drilling operations are completed.
- 14. As a result of land development in the vicinity of said land, governmental rules or ordinances regarding well sites, and/or surface restrictions as may be set forth in this lease and/or other leases in the vicinity, surface locations for well sites in the vicinity may be limited and Lessee may encounter difficulty securing surface location(s) for drilling, that any such operations conducted at a surface location off of said land or other operations are either restricted or not allowed on said land or other leases in the vicinity, it is agreed operations are associated with a directional well for the purpose of drilling, reworking, producing or other operations under said land or lands pooled therewith, shall for purposes of this lease be deemed operations conducted on said land. Nothing contained in this paragraph is intended to modify any surface restrictions or pooling provisions or restrictions
- 15. Lessee shall not conduct any surface operations upon any part of the surface of the lease premises. Lessee shall however have a <u>sub-surface</u> easement to horizontally drill under the surface of the lease premises. Notwithstanding anything contained herein to the contrary, Lessee shall have the right to conduct seismic operations, premises. Lessee shall pay for all damages related to seismic operations. Other than seismic operations, by execution of this Lease, Lessee does not otherwise obtain the right to conduct exploration, excavation or drilling operations from or upon the surface of any portion of the lease premises.

IN WITNESS WHEREOF, this instrument is executed on the date first above written.

LESSOR: Johnny Timmons	LESSOR:
Name:	Name: (Individually and in all Capacities for the above described Land)
Title: Lesson	Title:
STATE OF TEXAS	
COUNTY OF TREASURT	
merom stated.	lly appeared and known to me to be the person whose name is he/she executed the same for the purpose and consideration therein expressed and in the capacity
Given under my hand and seal of office this 💋 day of	Notary Public, State of Texas Lion Polk Notary Public, State of Texas Cotober 24, 2010
My commission expires:	Notary's printed name
STATE OF TEXAS	
COUNTY OF MERCANT	
Before me, the undersigned authority, on this day person subscribed to the forgoing instrument, and acknowledged to me that he therein stated.	nally appeared Je known to me to be the person whose name is chishe executed the same and for the purpose and consideration therein expressed and in the capacity
Given under my hand and seal of office this 2 day of _	
My commission expires:	Notary's printed name
10-24-2010	